



## Daughters of Charity Services of New Orleans

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December 16, 2008

Secretary Alan Levine  
Louisiana Department of Health and Hospitals  
628 N. 4<sup>th</sup> Street  
P.O. Box 629  
Baton Rouge, LA 70821-0629

Dear Secretary Levine:

This week, the Senate Health and Welfare Committee will meet to review and consider approval of the Medicaid waiver proposed by the Department of Health and Hospitals (the "Department") to be submitted to the Centers for Medicare and Medicaid Services.<sup>1</sup> I am writing in support of the concepts included in the waiver and the efforts of the Department to expand health coverage in Louisiana.

The Daughters of Charity have a long history of providing health care in New Orleans, starting in 1834 at Charity Hospital. In 1858, the Daughters of Charity founded Hotel Dieu Hospital, which saw Louisiana through the yellow fever epidemics of 1853 and 1897. In 1992, ownership of Hotel Dieu Hospital was transferred to the state and Hotel Dieu Hospital became University Hospital. In 1997, the Daughters of Charity Services of New Orleans was incorporated to perpetuate a Catholic health care presence in Louisiana health care. Our mission is to improve access for persons of low income or without health insurance to primary care and preventive health services, including behavioral health and pharmacy. Since Hurricane Katrina in 2005, we have opened and now operate three (3) medical centers (Uptown, Bywater and Metairie), three (3) mobile medical units, and provide behavioral health/counseling in 10 New Orleans schools. Last year we served more than 12,000 patients with more than 60,000 visits.

Despite spending millions of dollars on health care, Louisiana still suffers from poor health care outcomes. For example, the Kaiser Family Foundation found that the death rate from cancer in Louisiana is one of the highest in the country, behind only Tennessee and Kentucky. Only 76% of Louisiana children are receiving the recommended immunizations, placing Louisiana in the bottom quartile of the United States. In addition, the Kaiser Family Foundation estimates that over 848,000 individuals in Louisiana are uninsured. It is clear that redesign of the Louisiana health care system with a focus on primary care is imperative to improve the health status of individuals living in Louisiana.

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<sup>1</sup> In accordance with Act No. 243 of the 2007 Regular Session. (Senate Bill No. 1 of the 2007 Regular Session).



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The waiver includes several important concepts that would support an increase in access and coverage to the uninsured, specifically:

- Expansion of coverage to the uninsured. Coverage will be expanded from 12% of the Federal Poverty Level ("FPL") to 50% of the FPL statewide. This expansion would provide much needed coverage to an estimated 60,000 individuals across the state.
- Region 5 Demonstration. Region 5 has the highest percentage of uninsured individuals in the state, approximately 28% of the population. The waiver includes a federally funded demonstration project to expand coverage to 200% of the FPL in Region 5.
- Expansion of Primary Care Resources and Developing Medical Homes. The waiver recognizes the need to focus on primary and preventive care in order to improve the health status of people living in Louisiana. Aligning incentives among all health care providers to keep people healthy instead of rewarding greater volume is an important step in the right direction. The health system should provide the right care to the right individual in the right setting, instead of waiting until the individual's medical condition requires expensive hospital care. Every individual should have access to a medical home with one provider coordinating the individual's care with the highest levels of compassion.
- Engaging Health Care Consumers. The waiver calls for enhanced benefits to reward individuals for healthy behaviors, as well as improving health literacy and further developing patient navigator and disease/case management programs.

Adoption of these concepts would improve the health status for thousands of individuals in Louisiana and reduce the number of individuals forced to seek care in more costly settings, such as a hospital emergency department. The coverage expansions would further enable us to continue our mission of service to communities throughout New Orleans and help us better manage and monitor the care provided to our patients with chronic illnesses. We look forward to working with you to adopt other improvements to the Louisiana health care system, such as increased funding for provider adoption of interoperative health information technology, expanding coverage up to 200% of the FPL for the entire state, and continued implementation of our success using the Medical Home Model of care which has been funded as a national center of excellence by the United Health Foundation.

We applaud you for your commitment to improving the Louisiana health care system and your efforts to meet with stakeholders to obtain input regarding the waiver. Please let me know if there is anything else we can do to help you in your efforts.

Sincerely,

Michael Griffin  
President/Chief Executive Officer